



MONTENEGRO
MINISTRY OF DEFENSE

DEFENSE STRATEGIC REVIEW
MONTENEGRO

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1. INTRODUCTION

The Strategic Review of Defense of Montenegro (hereinafter: Strategic Review of Defense) is an initial planning document that provides an overview of military capabilities, general guidelines for the continuation of reform in the field of defense, as well as the basis for improving defense capabilities in order to carry out the missions and tasks of the Army of Montenegro (hereinafter: Army).

The strategic defense review, adopted by the Government of Montenegro (hereinafter: the Government) in 2013, aimed to define the main directions of development, transformation and modernization of the defense system of Montenegro, as necessary prerequisites for gaining full membership in the North Atlantic Treaty Organization.

The consolidation of the security situation in the region and the low probability of a direct military threat to Montenegro, the acquisition of Montenegro's full membership in NATO, and the benefits and obligations that resulted from it, as well as the increasingly demanding involvement of the Army in providing assistance to civil institutions in the country, have imposed the need to review , by innovating and harmonizing the entire defense strategic doctrinal framework.



Raising the flag of Montenegro in front of the NATO headquarters

According to the Government's work program for 2018, the Ministry of Defense is tasked with drafting the Strategic Defense Review Proposal and the Long-Term Defense Development Plan of Montenegro. The basic tasks set by the Government in the process of drafting the Strategic Defense Review Proposal were: 1) assessment of the state and capabilities of the defense system of Montenegro to carry out dedicated missions and tasks, considering the changed international security environment; 2) assessment of the effectiveness of the defense system and 3) proposal of measures to improve the situation.

During the process of drafting the Strategic Defense Review, the methodology of long-term defense planning was used, which is based on political guidelines contained in national and allied documents of the highest level, analysis of factors affecting security and defense, review of available defense resources and determination of required and missing defense capabilities.

In the process of creating the document, a detailed analysis of modern security challenges, risks and threats was carried out. Through various response scenarios, the existing and identified missing capabilities of the Army were analyzed, and then clearly defined guidelines for the preparation of the Long-Term Defense Development Plan.

The new Strategic Review of Defense is therefore the result of a detailed review of the alignment of existing defense capabilities in a changed geopolitical environment, it identifies deficiencies in the structure and capabilities of the Army and presents optimal solutions for achieving national security goals and interests from the domain of defense policy.

The visions and solutions given in this Defense Strategic Review are aligned with the guidelines given in the new National Security Strategy.

2 STRATEGIC SECURITY ENVIRONMENT

The strategic security environment of Montenegro is complex, dynamic and unpredictable. It is characterized by the dominance of unconventional, asymmetric and hybrid threats. International terrorism and violent extremism, proliferation of conventional and weapons of mass destruction, cyber threats, hybrid threats, intelligence activities of individual states and systems, organized crime, threats to economic and energy security, illegal migration, endangerment or destruction of elements of critical infrastructure and natural and artificially induced accidents and disasters represent both global and regional security challenges, risks and threats.

Globalization, in the sense of reducing the importance of physical borders and the rapid development and spread of new technologies, is a reality that largely determines the security environment. The security of the state can be directly threatened by instabilities and conflicts that occur outside its borders, or the borders of the region or continent on which it is located, which requires significant changes in the approach to defense.

Although the probability of the outbreak of conventional conflicts in the region is small, they cannot be completely ruled out. The region is still burdened by events from the past and unresolved problems, which can cause destabilization in certain areas.

Therefore, the geostrategic position of Montenegro, the complex connection of security factors, global trends, as well as regional security challenges are just some of the factors that affect and will affect the security environment of Montenegro.

The need to develop and strengthen defense capabilities in the modern security environment does not primarily refer to the strengthening of capabilities and capacities for the protection and preservation of independence, sovereignty and state territory, but rather to the strengthening of capabilities to counter all the enumerated forms of security challenges, risks and threats. Numerous conflicts and crisis hotspots in the world with strategic security implications, as well as various forms of asymmetric and hybrid threats impose the need to establish a unified national security system, as well as its full integration into the collective defense system. It is of vital importance to establish mechanisms for prevention, immediate and effective response and, ultimately, neutralization of security challenges, risks and threats.

Considering the character of modern security challenges, risks and threats, it is necessary to provide an adequate range of military capabilities for the execution of missions and tasks on the national territory but also outside it, within the framework of international forces, achieving interoperability with allied forces in all areas of capabilities, adaptability in concept engagement of forces and full integration of civilian and military capabilities at the national level. In addition, it is important to continuously maintain and improve cooperation with partner countries, in order to adequately respond to increasingly intense global challenges.

3 IMPACT OF CHANGES IN STRATEGIC SECURITY ENVIRONMENT ON THE DEFENSE POLICY OF MONTENEGRO

Montenegro's membership in NATO provides a convincing guarantee of collective defense and is an important deterrent and defense of independence, sovereignty and national territory. Full membership in NATO has greatly contributed to the long-term security and stability of Montenegro.

In addition to membership in NATO, the United Nations (UN) and the Organization for Security and Cooperation in Europe (OSCE), Montenegro has begun the process of joining the European Union (EU), which, after integration into common European structures, will complete Montenegro's membership and European security architecture.

The security and stability of the immediate environment - the countries in the region - has a key influence on the national security of Montenegro. Montenegro will promote the European and Euro-Atlantic integration of the countries of the Western Balkans, as the best framework for its stabilization.

The basic foundations of the defense policy of Montenegro are:

1. **Montenegro does not face the threat of direct armed aggression**, and will develop its defense capabilities primarily in the context of an active participant in the system of collective defense. The strategic defense goal of Montenegro is the construction of an integrated defense system capable of defending and preserving independence, sovereignty and state territory independently and with allies.
2. **By acquiring full membership in NATO, Montenegro assumed concrete obligations and responsibilities.** As a reliable and responsible ally, Montenegro will, in accordance with real economic possibilities, ensure the development of military capabilities designed to contribute to the collective security system, without neglecting the development of military capabilities intended exclusively for national needs. Planning for the development of overall defense capabilities will be aligned with NATO's defense planning process.
3. The region generates a common vision of the future despite the existence of certain difficulties. **Through the development of regional cooperation, transparency, dialogue and good-neighborly relations, Montenegro strives to contribute to the improvement of security conditions, as well as stability and security in the region.**
4. **Montenegro is facing asymmetric and unconventional challenges, risks and hybrid threats, which, in addition to jeopardizing national security, also threaten the security of allies.** The army will provide support to civil institutions in preserving national security in peace, support in protection, search and rescue operations, as well as support for other activities of civil institutions.
5. **The planned allocation for defense has a growing trend.** The Government adopted the Defense Investment Plan for the period from 2018 to 2024, with which it committed itself that Montenegro will gradually increase budget allocations for defense, in order to reach the level of 2.00% of gross domestic product in 2024 (hereinafter: GDP). Also, in the planned period, the allocation for equipment and modernization will reach the value of 20% of the budget funds for defense. The increase in the defense budget will enable the maintenance of existing and the development of new military capabilities, as well as all other segments of the Ministry of Defense and the Army.

Montenegro's membership in NATO and the low probability of armed aggression enable the sizing and structuring of the Army appropriate to national capabilities, but at the same time capable of responding to all assigned missions and tasks. The defense policy creates the conditions for the long-term provision of the necessary financial and material resources, the implementation of training in modern conditions and the continuous development of the capabilities of the Army.

One of the key priorities of the defense policy of Montenegro is directing all efforts and resources to the development of priority capabilities, through several steps: complete synchronization of national and NATO defense planning, planned management of defense resources and consistent implementation of programmatic and target-oriented budget funds.

4 MISSIONS AND TASKS OF THE ARMY

The changes in the strategic environment that occurred after Montenegro joined NATO, as well as the analyzes and conclusions that preceded the drafting of the Strategic Defense Review, clearly indicate that it is necessary to partially redefine the missions and tasks of the Army, defined by valid strategic documents.

4.1 MISSIONS AND TASKS OF THE ARMY

The missions of the Army are:

1. Defense of Montenegro and NATO member states

Defense of Montenegro and NATO member states is the basic mission of the Army.

The tasks of the Army in the defense of Montenegro and NATO member

states are: a. Defense of the independence, sovereignty and state territory of Montenegro, independently and with the help of NATO

allies; b. Contribution to the defense of NATO

member states; c. Support to allied forces on the territory of Montenegro.

2. Contribution to international peace and security

Montenegro is determined to, in accordance with its capabilities, contribute to building and preserving peace at the regional and global level, primarily through participation in missions and operations led by NATO, the EU and the UN. The participation of the Army in international missions and operations contributes to the promotion of peace and stability, strengthens the reputation of Montenegro in the world and wider Euro-Atlantic values.

The tasks of the Army in the mission of contributing to international peace and security

are: a. Participation in peace support missions and operations, crisis response operations, humanitarian and other international activities, in accordance with international law;

b. Defense diplomacy; c. Arms

control in accordance with international agreements.

3. Support to civil institutions

With its capacities and abilities, the army will provide support to civil institutions and the population when confronting different types of challenges, risks and threats of a non-military nature.

The army will provide support to civil institutions through the implementation of the following tasks:

- a. Support during natural and man-made accidents and disasters;
- b. Contribution to internal security in peace;
- c. Support in search and rescue activities;
- d. Supporting the activities of civil institutions.

4.2 LEVELS OF AMBITION IN PERFORMING ARMY MISSIONS

4.2.1 LEVEL OF AMBITION IN THE MISSION "DEFENSE OF MONTENEGRO AND NATO MEMBER STATES ALLIANCE"

The army will use all available resources, in cooperation with other elements of the defense system and allied forces, in order to protect the independence, sovereignty and state territory of Montenegro.

In order to defend the independence, sovereignty and state territory of Montenegro, the Army will develop the capabilities necessary to deter, stop and reject possible armed aggression, independently and with the help of NATO forces.

The army will be organized so that, in case of need, it ensures the successful growth of the military potential of Montenegro to the required size, relying on the concept of reserves, voluntary military service and military obligations.

In the measures of strategic deterrence and defense of NATO member states, Montenegro will participate with the declared and other necessary forces and means of the Army, in accordance with the expressed needs and established possibilities. In accordance with Article 5 of the North Atlantic Treaty, the army will make a full contribution to the defense of NATO member states by engaging declared forces, and if the needs require it, by engaging other forces.

By adopting the concept of support of the host country and defining the capacities that will be available to provide support to the allied forces, the building of the ability to support the allied forces on the territory of Montenegro will continue.

The military will build and maintain maritime and airspace surveillance capabilities in cooperation with other state institutions and allies.

4.2.2 THE LEVEL OF AMBITION IN THE MISSION OF THE ARMY "CONTRIBUTION TO INTERNATIONAL PEACE AND SECURITY"

Montenegro will develop capabilities for simultaneous participation in at least one operation led by NATO, one by the EU and one by the UN. Participation in a larger number of missions, in relation to the minimum level of ambition, is possible and will depend on the political decision and agreement with allies and partners.

The Army aims to organize, equip and train 50% of ground forces for participation and up to 10% of ground forces for sustained engagement in NATO-led operations

peace support and crisis response operations. The maximum ground force contribution to NATO forces will be the deployment of one reinforced infantry company in two six-month rotations, and the sustained contribution to NATO-led peace support and crisis response operations will be the deployment of one infantry platoon, with support elements, in six-month rotations.

The contribution of the Air and Naval Forces of Montenegro to NATO-led peace support operations and crisis response operations will be defined separately for each situation, and will be based on the forces of the Army declared through the NATO package of capability objectives.

Montenegro is committed to providing an active contribution to EU operations and missions. The level of engagement of forces in the EU Battlegroups (EU BG) will depend on political ambitions and national priorities, will be coordinated in relation to the engagement of the Army in NATO-led missions and operations and will range up to the strength of one infantry platoon, or its equivalent from other Army formations.

Montenegro's contribution to the UN missions will remain at the level of engagement of officers on the duties of observers and staff elements.

Montenegro will provide a contribution to international peace and security and active diplomacy in the field of defense, primarily through the exchange of military envoys, bilateral and multilateral meetings, discussions and military exercises, exchange of experiences, ship visits and other forms of cooperation.

By actively participating in the activities and initiatives of international organizations that want to eliminate any possibility of illegal arms trade, and that limit the proliferation of small and light weapons in developing countries, as well as agreements that prohibit the spread of weapons of mass destruction, Montenegro will give its full contribution to the construction a measure of trust and security in the world, and the protection of people and material goods.

4.2.3 LEVEL OF AMBITION IN PERFORMING THE MISSION "SUPPORT TO CIVIL INSTITUTIONS"

The army will continue to develop, train and engage its forces and assets in a planned manner with the aim of strengthening state capacities for an integrated response to crisis situations in peace. Army units will be engaged when civilian institutions cannot independently protect national interests and internal security, provide an adequate response in a crisis situation and timely and successfully protect and save people and property. In its structure, the army will not have units whose main task will be to support civil institutions, but will hire formation units for that purpose.

The army will provide support to the police and other state bodies in cases of threats to national security by terrorism, in the case of migrant crises and other hybrid threats, in accordance with the Constitution and laws of Montenegro.

The capabilities of the Army will also be used to support civil institutions in the organization of sports, cultural and other activities of general social importance, if such engagement does not jeopardize the realization of regular tasks.

5 STATE AND DEVELOPMENT OF ARMY CAPABILITIES

The army develops the capabilities necessary for the realization of all assigned missions and tasks, both in the country and within the collective security system. In order to create the conditions for a full contribution to the collective security system, the Army implements the assigned NATO package of capability goals, but at the same time develops and

certain special military capabilities. Some of these special capabilities (such as medical capabilities) are being developed by Montenegro in a multinational context, together with allied and partner countries (BMTF). In the end, the support to civil institutions imposes the need for the development of certain additional capabilities of part of the Army units, with the engagement of existing capacities.

In the process of preparing the Strategic Review of Defense, the adequacy of the current organizational and formational structure of the Army was assessed in relation to the operational assumptions and capabilities required for the realization of assigned missions and tasks. It was concluded that the current structure and size of the Army enable the development of capabilities necessary for the realization of assigned missions and tasks, with certain shortcomings. Deficiencies in existing capabilities, identified during the response to specific operational requirements, impose the need to increase the numerical strength and partially adjust the organizational-formation structure of the Army.

5.1 THE STATE OF THE ARMY'S CAPABILITIES

The army performs tasks jointly, through a unique system of command and control, logistical, intelligence and counter-intelligence support to the forces in the country and abroad.

The ground forces consist of the Infantry Battalion, the Honor Guard, the Intelligence and Reconnaissance Company and the Military Police Company. Since the Ground Forces do not have a single (intelligence) command, their composition also includes parts of the support forces (Logistics Battalion, Training Center and Communications Company), which presents a problem when determining the required number of members of the Ground Forces in relation to the defined level of ambition for contribution NATO force structure (deployable and sustainable forces).

The infantry battalion is the backbone of the ground forces and the bearer of tasks in all three missions of the Army, in the country and abroad. The infantry battalion does not have organic logistics and reconnaissance capabilities, and the structure of the infantry companies in the infantry battalion is not the same, which makes it difficult to build the required capabilities.

The organizational-formational structure of the other units of the ground forces is also not fully aligned with the needs arising from the NATO package of capability objectives.

Also, there are problems with the organization and implementation of training due to the large number of extraordinary tasks and additional involvement in securing military facilities.

The Air Force supervises and protects the airspace of Montenegro, in cooperation with partners and allies. They are organized into the Air Force of the Army of Montenegro (hereinafter: Air Force), which includes helicopter forces, airspace surveillance forces and light anti-aircraft defense forces. The current capabilities of the Air Force, in terms of airspace surveillance, are significantly limited. The existing air defense systems are outdated, and training and shooting have not been carried out for a long time. The lack of necessary spare parts and the lack of technical capacity make helicopter maintenance difficult.

The naval forces protect the sovereignty, state territory and national interests of Montenegro at sea. The Navy of the Army of Montenegro (hereinafter: the Navy) consists of: naval forces, which include warships and other military vessels; sea observation forces; forces for special underwater and surface operations; and support forces. Existing warships are unpromising from the point of view of the purpose for which they were once built. In order to increase its presence at sea, the Navy of the Army has begun the conversion of ships of the "Rade Konjar" type rocket gunship class into patrol ships, which is a temporary solution until the acquisition of new patrol ships. In order to

in order to achieve NATO capability goals, there is a need to form a special unit in the organizational formation structure of the Army Navy for the realization of underwater demining tasks. The Army Navy does not have the capacity to maintain ships and vessels, as well as the ability to maintain other complex technical assets and systems. Capacities and opportunities for the maintenance of ships and vessels are very limited at the national level as well.

Support forces, whose backbone is the Logistics Battalion, provide logistical support in the country, while forces engaged in international peace support operations and crisis response operations rely more heavily on the capacities of allies and partners.

The assignment of members of the Army to international forces is on a voluntary basis, except in the case of the defense of allied countries in the sense of Article 5 of the North Atlantic Treaty. The principle of voluntariness complicates the system of filling, equipping, training and using units engaged in international forces.

Members of the Army actively provide assistance to civil institutions in the country. In order to provide assistance to civil institutions, the forces are additionally trained and equipped and temporarily organized for the purpose.

The army still has a large number of outdated and unpromising combat equipment and systems. The long-term defense development plan will define their status and the dynamics of withdrawal from operational use

5.2 DEVELOPMENT OF ARMY CAPABILITIES

The Army will continue to enhance existing and develop new capabilities to respond to assigned missions and tasks while contributing fully to NATO's command and force structure, actively participating in NATO-led missions and operations, contributing to joint deterrence and defense strengthening activities and other NATO strengthening initiatives and development of defense capabilities.

The analysis of the necessary capabilities of the Army was carried out according to the following main areas of capabilities: 1) Preparation of forces; 2) Deployment and mobility; 3) Use; 4) Sustainability; 5) Consultation, command and control; 6) Protection and 7) Information.

Force preparation

The Ministry of Defense and the Army will improve the defense planning process and fully harmonize it with the NATO defense planning process, which will enable the improvement of existing and the development of new capabilities.

Training, as a major peacetime task in the Army, will be aimed at achieving the ability to perform assigned missions and tasks, in the full spectrum of operations and achieving interoperability with allied forces. The establishment of a multi-purpose training and shooting range in the north of Montenegro will overcome the perennial problem of organizing (joint) collective training and conducting tactical exercises with live shooting.

The focus of the training will be on achieving NATO capability goals and training forces deployed in international missions, operations and other international activities.

A special emphasis in the training will be on training in the handling of new combat equipment and systems, after their introduction into operational use.

The training of individuals and units for participation in international forces, which is carried out abroad, will contribute to the faster achievement of interoperability and the development of the ability to integrate into the NATO command structure and the NATO force structure. Cooperation within NATO will enable the training of Army units in military formations at the battalion level and higher, for which conditions do not exist in Montenegro.

The planned acquisition of simulators and trainers, as well as the use of training capacities of allied and partner armed forces, as well as other security forces of Montenegro, will reduce training costs.

The concept of lessons learned in the Army is still in its initial phase and, due to its importance, it is necessary to fully implement it in the new structure of the Army.

Deployment and mobility

The army will develop capabilities for the deployment and mobility of forces on the territory of Montenegro, with its own or contracted capacities of economic entities in Montenegro.

The deployment and mobility capability of the ground forces will be partially enhanced by the acquisition of new transport helicopters, while full mobility will be achieved by the introduction into operational use of new infantry armored vehicles.

Decisions on the method of strategic transport, for the purposes of engagement in international missions and operations and other international activities, will be made for each activity individually. Through bilateral and multilateral agreements with strategic partners, Montenegro will strive to provide assistance in strategic transport, in order to ensure safe, timely and high-quality transport of forces. In exceptional situations, strategic transport will be carried out by making commercial arrangements.

The use of

The Army, as a professional defense force, will develop and maintain capabilities to carry out assigned missions and tasks on land, sea, in the air and in cyberspace.

The increase in the size of the Army to 2368 members, changes in its organizational formation structure, further equipping and modernization and reaching the necessary capabilities are a condition for the execution of assigned missions and tasks and the protection of national interests, both independently, in synergy at the national level, and with allied forces.

The development of **the Ground Forces** will be based on the development of the capabilities of the Infantry Battalion, with the greatest possible degree of autonomy for the independent execution of tasks and with priority on building the capabilities of light infantry companies and support elements.

Equipping the declared infantry companies with light armored vehicles, with accompanying weapons, combat assets and systems, is a priority of the highest level in order for the ground forces to reach the required level of deployability, maneuverability, firepower, mobility, protection and thus the required level of interoperability for participation in the full spectrum operation led by NATO.

In addition, the mobility and maneuverability of the ground forces will be improved by introducing multi-purpose helicopters into operational use and renewing older transport vehicles. Maneuver and fire capabilities will be improved by the modernization of existing systems and the acquisition and introduction into operational use of new assets.

The army, in addition to the priority capabilities of the Ground Forces, will continue to develop reconnaissance capabilities, mountain warfare capabilities and warfare in extreme climatic conditions.

In order to ensure an even presence of the Ground Forces on the entire territory of the country and enable a timely response to the missions and tasks of the Army, one infantry company will be deployed in the north-east of Montenegro.

The naval forces will continue to develop the ability to monitor, control and protect the sovereignty, state territory and interests of Montenegro at sea. It will carry out its activities in internal sea waters, territorial sea and international waters, independently and in cooperation with other state institutions, allies and partners, in accordance with the law, national interests, accepted international agreements and conventions.

For the realization of the assigned missions and tasks, the Navy will improve its capabilities for surveillance and control of the sea (acquisition, data processing and generation of a recognized maritime image), exchange of data on the situation at sea at the national level, with allied and partner forces, as well as the establishment of new ones and the improvement of existing ones capabilities that contribute to the achievement of NATO capability goals.

The Navy has limited capabilities to conduct combat operations at sea, especially anti-submarine warfare and anti-electronic warfare. The development of these capabilities in full capacity is not rational for Montenegro. In accordance with the purpose of the naval forces, Montenegro will develop a part of the mentioned capabilities, necessary for the execution of specific tasks, while the missing part of the capabilities will rely on the collective security system.

The ability to control and monitor the sea will be based on the further improvement of the capacities of the Naval Operations Center and the command and information system, the integration and synergy of all national sensor systems, the further construction of its own sensor network, the exchange of data with its own ships, the ships of allied forces and the exchange of data of the recognized maritime image (Recognized Maritime Picture - RMP).

The ability to communicate at sea will be developed in order to improve communication at the national level and with allies, ship-to-ship, ship-to-land and ship-to-air.

The Navy will increase its presence at sea by introducing converted patrol ships into operational use, until the acquisition of new patrol ships that will enable greater autonomy at sea.

Navy units declared through NATO capability objectives will have priority in manning, equipping and training.

By establishing and developing own capacities for lower-level maintenance of ships and vessels, the capabilities of the Navy will be further improved.

The possibility of forming a Coast Guard as part of the Navy will be considered, based on the concept of unifying related functions of various state entities in the field of maritime security, with the aim of creating preconditions for building an efficient and sustainable system for the protection of Montenegro's interests at sea.

The Air Force will base further development of its capabilities on the concept of ground forces aviation, with priority on the development of national capabilities for

observation, surveillance and real-time airspace situational data exchange and guidance of allied aviation (JFAC).

Helicopter forces will develop capabilities for combat support to infantry units, aerial reconnaissance, search and rescue, tactical and medical transport.

After the introduction into operational use of the new Bell-412 helicopters, the helicopter unit and the helicopter maintenance unit will be reorganized. The number of "Gazelle" helicopters in operational use will be significantly reduced and will enable further development of tactical aerial reconnaissance capabilities and training of its own flight personnel.

As part of the reorganization of the Air Force, one "Cesna 421B Golden Eagle" type aircraft will be introduced into operational use, which will be used for pilot training, transport of small forces, medical transport, aerial reconnaissance, airspace protection mission exercises ("Air Policing") and VIP transport.

Montenegro does not have the opportunity to develop the ability to independently protect the airspace. The protection of the airspace will be done by relying on the capacities of allies within the NATO "Air Policing" mission, that is, by integration into the allied anti-aircraft and anti-missile defense system (NATINAMDS). To this end, the development of national capabilities for observation and surveillance, real-time airspace situational data exchange and aviation guidance will continue.

Search and rescue capabilities and support of the host country will be developed for the needs of "Air Policing".

The protection of key facilities and infrastructure will be based on light portable systems for anti-aircraft defense of the newer generation.

The lack of coverage of the airspace of Montenegro with an adequate radar image (RAP) necessitates the acquisition of a new airspace surveillance radar and its introduction into operational use. To that end, the acquisition of 3D medium- or long-range radars, the construction of a radar position and the integration of raw radar data ("raw data") from all airspace observation radars installed on the territory of Montenegro are planned. The acquisition of radar is a national priority, and financial resources will be provided outside the defense budget. The formation of the Military Aviation Authority (MAA), in the Ministry of Defense and the General Staff (a body responsible for drafting national regulations in the field of military aviation and anti-aircraft defense and controlling their implementation), requires amendments to the national legislation.

National needs require the retention of only certain capabilities of the special forces, which will be achieved through the training of reconnaissance and special military-police units.

Sustainability

The army will continue to develop an efficient system of logistical support. The structure of the executive and administrative bodies of logistics will be adapted to the assigned missions and tasks.

The development of capabilities for the deployment and mobility of logistical capacities in the country will continue, while logistical support for formations engaged in international missions and operations will be provided mainly by relying on the capacities of allies.

In order to more efficiently manage stocks and improve supply, integrated information systems for material and financial operations and logistical support will be introduced.

In order to create conditions for better implementation of activities in the field of health care, the Medical Support Platoon will be separated from the Logistics Battalion and will represent the backbone for the formation of the Military Medical Center, a new organizational unit directly subordinated to the General Staff. Organizational and formational changes and further equipping and modernization of the Military Medical Center will enable reaching the ability to engage medical teams at the level of ROLE-1 medical protection, both in international missions and when providing assistance to civil institutions in the country.

Developing and maintaining Montenegro's ability to support NATO member states as well as other partner countries on its own territory (Host Nation Support - HNS), in cases of passage through the territory of Montenegro, engagement in military operations or training activities, as well as providing assistance in various crisis situations is of particular importance. This capability requires further harmonization of legal regulations at the national level and synergy in the planning, coordination and implementation of support activities of the host country.

Adopting the Support Concept of the host country will create the necessary preconditions for further building the required capability. Together with the Host Country Support Concept, the capacities that will be available to provide support to allied forces will be defined.

Command, control and consultation The future

formation of the Army will group a part of independent companies into a battalion-level unit, in order to simplify the system of daily command, reduce the number of direct command links, and relieve the strategic command level from making tactical decisions.

The position of Chief of Staff of the General Staff will be introduced in the General Staff, the functions of management and development will be separated from the functions of operational leadership and command, and the responsibilities in command at the strategic and operational level will be redefined. Such changes impose the need to amend the Law on the Army of Montenegro, in the part that regulates command and responsibilities in command in the Army.

The process of operational planning and military decision-making will continue to be improved at all levels, until full interoperability with NATO is achieved.

The standardization of these processes and their integration into the national crisis management system will improve interdepartmental cooperation and the ability to jointly respond in crisis situations.

The emphasis in equipping with information and communication systems will be on the procurement of equipment for the integrated information and communication infrastructure of the Ministry of Defense and the Army, the procurement of equipment for the implementation of critical information services, as well as the procurement of equipment for connecting national and NATO information and communication systems. Special attention will be paid to the development of national systems for the exchange and protection of classified information, and to the expansion of the availability of the NATO system for the exchange of classified information, on a "need to know" basis. Equipping Army units with tactical radio devices and systems will improve the command process at the tactical level.

Activities to improve the capacities of the naval and air operations center and the establishment of a unified operational picture (JCOP) in the General Staff of the Army will continue.

In order to achieve the required skills more quickly, activities on the development of consultation skills will be intensified.

Protection

The ability to protect will be developed through the improvement of measures of technical and physical protection of personnel, material assets, infrastructure and information against the actions of the enemy, the environment or the actions of one's own forces.

The protection of personnel is key to the protection of the forces, and it will be significantly improved by the acquisition of light armored vehicles for declared formations. The ability to protect people will also be significantly improved by acquiring equipment for staying in extreme conditions, equipment for nuclear-biological-chemical protection, equipment for identification in combat and other kits for individual and collective protection and masking.

Infrastructure protection will focus on command facilities, stationary communication hubs, military communications, warehouses, ports and airports.

The improvement of technical protection measures and the redefining of the organization of the physical protection system of facilities under the jurisdiction of the Ministry of Defense and the Army will be approached, and one of the models is the engagement of legal entities that deal with protection work.

Special attention will be paid to the development of the ability of military-police and intelligence-reconnaissance units to carry out counter-sabotage and counter-terrorist operations.

A significant challenge is the protection measures of information transmitted by information communication systems. Special efforts will be made to build own capabilities for cyber defense. The formation of the Computer Incident Response Team (CIRT) of the Ministry of Defense will enable preventive and proactive responses to cyber incidents, will create preconditions for an active contribution to cyber defense on the national level, and thus also within the collective security system. In order to fulfill the planned goals, the continuous training of staff in the field of Information and Communication Technologies (ICT) will continue, along with finding a model to motivate and retain expert staff in this area in the structure of the Ministry of Defense.

Intelligence Information Further

development of capabilities and modernization of military-intelligence and security structures in the Ministry of Defense and the Army will provide conditions for timely detection of indicators of security threats and collection of intelligence data and information, necessary in the decision-making process at all levels.

The Department for Military Intelligence and Security Affairs of the Ministry of Defense, as the bearer of intelligence support for the activities of the Ministry of Defense and the Army, will continue to develop mechanisms of cooperation and exchange of data and information on the national and international level.

Special attention will be paid to the further development of military-intelligence capabilities and staff training.

Further construction of the counter-intelligence infrastructure within the Army will significantly improve the counter-intelligence capabilities of the Ministry of Defense and the Army, will prevent the intelligence activities of the adversary and possible harmful consequences for the defense system.

At the same time, the development of intelligence information capabilities is a prerequisite for full integration into the collective security system.

5.3 PRIORITIES IN THE DEVELOPMENT OF ARMY CAPABILITIES

The development of the necessary capabilities is a prerequisite for the successful implementation of the Army's missions and tasks. Bearing in mind the amount of budget funds, the breadth of the spectrum of challenges, risks and threats and the requirements of the collective security system, the priorities in the development of the Army's capabilities will be:

- **Development of the capabilities of declared formations, with emphasis on the development of the capabilities of mobility, protection, firepower and anti-armor combat of declared infantry companies.**

Deadline: 2021. • Development of tactical aviation capabilities.

Deadline: 2021. • Development of capabilities for Cyber Defense. Deadline: 2021. •

Development of capabilities for airspace surveillance and protection. Deadline:

2025. • Development of active reserve capabilities for dedicated tasks. Deadline: 2026. • Full development of

capabilities for maritime control and surveillance and the conduct of maritime interdiction/interception

operations at sea (MIO). Deadline: 2028. • Development of command, control, communication and intelligence

capabilities

(C3I). Deadline: permanent assignment.

- Development of capabilities to support NATO forces on the territory of Montenegro (HNS).

Deadline: Standing assignment.

6 DEFENSE RESOURCES

6.1 HUMAN RESOURCES

Members of the Ministry of Defense and the Army are the main potential and guarantee of the successful implementation of all assigned missions and tasks. A modern approach, clear rules and mechanisms for efficient and effective human resource management are prerequisites for creating a trained and motivated staff.

New security challenges require new professional skills and modern training. Effective management of human resources in the defense sector is of strategic importance, in order to continuously ensure: stable filling by obtaining personnel with the necessary qualifications, balanced personnel structure, continuous improvement and guidance of individual professional development, motivating personnel for efficient performance of duties, as well as remaining in service the best quality personnel.

6.1.1 SITUATION IN THE FIELD OF HUMAN RESOURCES

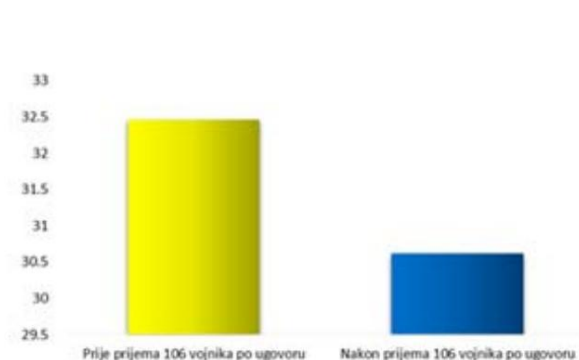


Figure 1. Average age of contract soldiers

The situation in the field of human resources is characterized by: an unbalanced structure of personnel, an unfavorable age and qualification structure, as well as a disproportionate ratio of management and command personnel, in relation to the executive.

The Army has not established an optimal ratio in the personnel structure, i.e. a pyramidal structure, primarily due to the high number of non-commissioned officers.

The number of jobs for civilians has increased, so that in the structure of the Army currently

make up 13%. Despite the partial reduction in the number of non-commissioned officers, through termination of service due to the fulfillment of conditions for retirement under favorable conditions, a high percentage of non-commissioned officers is still maintained, while there is still a shortage of officers and soldiers under contract. The share of women in the Army is 9.88%.

Although the Law on the Army of Montenegro and a by-law regulate the issue of career development of professional military personnel, the promotion of officers and non-commissioned officers was not carried out in accordance with the needs of the service, and it is necessary to adopt career plans and the Plan for the promotion of military personnel in a timely manner. No transition system has been established for contract soldiers who have spent a long time serving in the Army.

Staff training is often not conditioned by the needs of the service and there are no clear criteria for the selection of staff for education and training.

As a consequence of the fact that the assignment of members of the Army to international forces, except in the case of the defense of allied countries within the meaning of Article 5 of the North Atlantic Treaty, is on a voluntary basis and that the base of non-commissioned officers who know the English language at the required level is still insufficient, some non-commissioned officers have been repeatedly participated in international forces, which represents a burden for certain units of the Army.

The government determined the size and structure of the active reserve, but it was not implemented through the Army Formation.

The existing system of electronic records of human resources does not meet the needs regarding the implementation of quality human resources management.

A system of primary health care was established for employees of the Ministry of Defense and persons serving in the Army and certain forms of specific health care, in accordance with the approval of the Ministry of Health.

A new model of housing care was established in the Ministry of Defense and the Army, through the formation of the "Defense" Housing Cooperative.

6.1.2 PRIORITIES IN THE FIELD OF HUMAN RESOURCES

Recruitment of staff will be based on a realistic assessment and planning of the needs for specific staff profiles, improved mechanisms for attracting the necessary staff, recruitment and selection in order to ensure the optimal number, age and qualification structure of the staff.

The officer staff will be filled through the education of cadets at foreign military academies, admission to civil service after completing higher education, i.e. scholarship at the faculties in Montenegro and production from the category of contract soldiers, non-commissioned officers and civilians who have completed higher education.

The non-commissioned officer staff will be filled predominantly by recruitment from the category of contract soldiers, and exceptionally by direct recruitment from the citizenry.

The number of permanent members of the Army will increase to 2,368, which will enable the successful execution of the assigned missions and tasks of the Army. An optimal pyramidal structure of officer and non-commissioned officer ranks will be established, the number of contract soldiers will be increased and the formation position will be aligned with the rank. The formation needs for officers will be aligned with the real possibilities of filling the Army with this cadre.

Activities to improve the age structure of the staff will continue. Through the personnel outflow policy, the optimal age structure of all categories of persons in the service will be established

Armies. It is planned to establish an optimal personnel structure by 2022, with a ratio between officers, non-commissioned officers and contract soldiers of 1:2.5:3.5, and to reduce the number of civilians in the Army to 8% in the same period of time. with a tendency to further decrease.

Attracting personnel

The effects of demographic trends intensify the already existing competition for qualified labor, so early identification of personnel shortages in critical areas - such as information technology, technical and health professions - is necessary in order to develop timely measures for their provision.

In accordance with the analysis of demographic trends, which affect the availability of the required staff, promotional mechanisms will be continuously developed to attract them and strengthen the position of the Ministry of Defense and the Army as a competitive employer.

Promotion of military conscription should adapt to new trends and follow new approaches in this area.

Staff selection

The selection of candidates will be based on the principle of merit and equal opportunities, whereby the best-ranked candidates will be selected after a transparent selection procedure.

The system of voluntary participation in international missions and operations under the leadership of NATO will be abandoned.

A system for the promotion of military personnel will be established in accordance with the prescribed criteria, appropriate to the needs of the service, and for this purpose a Plan for the promotion of military personnel will be adopted.

Professional development

Professional development will be based on continuous improvement and guidance of individual career development, in accordance with the principles of merit and equal opportunities.

Education, training and training of staff will be carried out in a planned manner, in order to maintain the ability to successfully perform existing and subsequent duties, in accordance with the needs of the service, individual work results and professional competences.

Education and training of personnel will be carried out in accordance with the needs of the service according to the principle of "education/training - next duty". Preference for education and training will be given to officers who are planned for leadership positions, who will be referred to training at the command-staff and operational-strategic level. Personnel for the needs of policy and program management will be educated at master's and doctoral studies.

An assessment system will be established on realistic bases, which will be the basis for career development, and career plans and the Plan for the promotion of military personnel will be developed.

The procurement of software for the human resources database at the level of the Ministry of Defense will be carried out, with the aim of creating a higher quality and more comprehensive database, which will make planning and personnel management more efficient, as it will provide quality and valid data on the basis of which decisions about movements in the service are made.

Gender equality and personnel support The Ministry

of Defense will continue to provide equal opportunities for women and men for employment and careers in the Army. Constant support will be provided to women to improve and develop their careers and ensure the openness and availability of all positions, even leading positions.

Measures will be continuously implemented to improve the life and work of employees and their motivation. Social factors will also be in the center of attention, especially those related to solving housing issues for employees. The implementation of these measures will have a positive effect on the motivation, retention and attraction of staff.

Measures will be implemented for the successful transition of military personnel into the civilian labor market. One of the models is the development of training programs for obtaining certain qualifications that can be applied in civil institutions, as well as assistance with employment.

6.1.3 VOLUNTARY SERVING IN THE MILITARY SERVICE

As part of defense preparations, the Ministry of Defense will organize voluntary military service with weapons (hereinafter: military service). The same will be carried out as a form of training for acquiring the necessary knowledge of conscripts to perform their duties in Army units in conditions of war or state of emergency. Conscripts who successfully complete their military service will form the basis for filling the permanent and reserve ranks of the Army.

6.1.4 RESERVE COMPOSITION

The Ministry of Defense will actively work on strengthening defense capabilities and through the formation of reserve forces that will be ready, trained and equipped for use as an integral part of the Army. Reserve forces will consist of contractual (active) and strategic (inactive) reserves.

In the peacetime formation of the Army, the core of command units from the reserve composition will be formed, according to the territorial principle.

In the period from 2019 to 2026, contractual (active) reserve units will be formed, the number of which will be up to 100 persons. The staff from this component will be mainly used when performing tasks that require an increased engagement of the Army's forces and are related to defense, protection from natural disasters or the execution of tasks related to Montenegro's international obligations. Through the development of the contractual (active) reserve, efforts will be made to improve military capabilities regarding specialist jobs for which the need appears occasionally and are not required for the regular execution of military tasks, and it is not profitable to have those performing the same jobs as a permanent staff (medical personnel, IT experts, logistics jobs, engineering machine operators, security, etc.).

Members of the contractual reserve will improve their specialist knowledge and skills through their own professional orientation and regular performance of work duties, which they will make available to the Ministry of Defense in case of need. Regular training and conditioning of military knowledge and skills for up to 30 days will be conducted with them in order to maintain and improve military capabilities.

The contractual reserve will be formed on the principle of the quality of military capabilities, financial sustainability and the establishment of an agreement of interests between the Ministry of Defense, the social community, employers and members of the reserve.

Until 2026, the Ministry of Defense will work on the development of a strategic (inactive) distributed reserve, numerous in size up to 700 people, which will be mobilized in case of the need to increase the defense capabilities of Montenegro, based on the decision of state authorities. The filling of Army units with reserve personnel will be done according to the territorial principle.

6.2 MATERIAL RESOURCES

6.2.1 STATE OF MATERIAL RESOURCES

The material resources and equipment available today to the Ministry of Defense and the Army are used to carry out the assigned missions and tasks, but they do not enable the full fulfillment of capability goals and the achievement of interoperability with allied forces.

In the Army, a significant part of weapons and military equipment is in use, which is technologically outdated, with expired time and exploitation resources and with a pronounced lack of spare parts, which represents a problem in maintenance and requires significant material resources, although it does not provide the necessary interoperability and compatibility with the systems that used by allied forces.

The reasons for this state of armaments and military equipment are primarily the insufficient allocation of funds for equipment in the previous period, inadequate equipment procurement procedures and the underdeveloped domestic military industry.

Supply management is burdened by significant surplus funds, old technology and the absence of a logistics information system that would consolidate information on the current state of funds, their quality, user requirements and the possibilities of efficient inventory management.

The infrastructure managed by the Ministry of Defense consists of land and real estate with associated installations. The Ministry of Defense has 95 locations, with 1,400 high-rise buildings, 37 business premises, 75 garage spaces and 247 apartments, with the Ministry of Defense and the Army currently actively using 23 locations.

6.2.2 PRIORITIES IN THE FIELD OF ARMS AND MILITARY EQUIPMENT

Further activities in the area of securing material resources will be carried out mainly in the direction of the development of the capacities of the Army, which will enable the achievement of capability goals, the achievement of the required level of interoperability with allies, as well as the improvement of the ability to react in crisis situations.

At the same time, it will begin with the withdrawal from use of material resources and equipment that are not in the function of reaching the defined capability goals, nor in the function of national security.

The key priorities of equipping and modernization in the coming period will be the procurement of:

- Light armored vehicles, equipped with adequate combat equipment and systems, for declared infantry companies;
- Equipment for conducting operations in extreme winter conditions, ballistic and other individual equipment for declared units;
- Equipment for the development of C3I capabilities; - Equipment for the development of capabilities for Cyber defense; - Equipment for underwater and demining on land; - 3D radar for airspace surveillance; - Patrol boats.

About 50 million euros will be set aside for equipping and modernizing the declared forces in a ten-year period, excluding infrastructure costs. The financing of these costs will be provided through the defense budget, donations and revenues from the sale of weapons and military equipment.

In accordance with the Government's policy, part of the financial resources from the sale of weapons and former military real estate will be used for the modernization and equipping of the Army and the construction of the necessary infrastructure in military facilities.

The process of getting rid of obsolete military equipment, ammunition and other assets, which started several years ago, will continue to be realized by neutralization, sale or transfer of certain assets to civilian institutions.

The Army currently has a significant number of motor vehicles, engineering machines, aircraft and watercraft in surplus. In order to release storage capacities, generate income and reduce storage costs, it is planned that the process of solving these surpluses will be completed by the end of 2020.

The improvement of the conditions for safe keeping and storage of ammunition and mine explosives will continue, at the locations designated for that purpose.

6.2.3 INFRASTRUCTURE PRIORITIES

All military locations at the disposal of the Ministry of Defense are classified as prospective and non-prospective military locations. 33 prospective locations have been determined for the functioning of the defense system. During the preparation of the General Regulation Plan of Montenegro, which is due by the end of 2020, all prospective locations will be recognized as areas of special purpose for defense purposes.

In order to improve living and working conditions in prospective locations, new and reconstructed existing facilities and infrastructure will be built, in accordance with detailed urban plans. Part of the storage and workshop capacities will be prefabricated, while the rest of the newly built buildings, in accordance with technical requirements, will be built from hard construction materials.

In the coming period, one of the priority tasks will be the infrastructural arrangement of the former "Maslina" Barracks in Podgorica for the relocation of the Ministry of Defense and the General Staff of the Army and the accommodation of a part of the Army unit. It is planned that this activity will be realized by the end of 2022.

Also, for the needs of deploying units in accordance with the future organizational and formation structure of the Army, a new barracks will be built in Andrijevica.

In order to rationally use the available resources of the Ministry of Defense and the Army and improve the conditions for basing the Navy, the possibility of building a naval base at a new location will be considered.

The formation and arrangement of a multi-purpose military training ground is one of the key short-term priorities. The training ground with dimensions of at least 8x18 kilometers must provide conditions for tactical exercises of units up to battalion level and battalion shooting with infantry weapons and Army artillery tools. The neutralization of unexploded ordnance, which is the responsibility of the Ministry of Internal Affairs, will be carried out at another location.

The shooting range in the "Milovan Saranoviĳ" barracks in Danilovgrad will be modernized by building facilities for situational shooting and "film" shooting ranges. A training ground project will be created for conducting operations in urban areas.

The planned works on the reconstruction and construction of the infrastructure for the storage of ammunition and mine explosives in the military facility "Brezovik" in the municipality of Nikšić will be completed. The process of modernization of all weapons and military storage facilities will continue

equipment, through the reconstruction of access roads, construction of external lighting with perimetry, installation of ventilation systems, technical protection systems, etc.

In the period until 2020, the conditions will be created for the existing warehouses of ammunition and mine explosives to be moved from the region of Boka Kotorska to new locations.

Optimization of infrastructure facilities used by elements of logistic support will be carried out. Additional funds will be invested in promising buildings for their arrangement and modernization, and unpromising ones will be proposed for surrender and valorization.

Also, the process of abandoning unpromising military locations and handing them over to the Property Administration will be accelerated, which will significantly reduce the costs of maintaining and guarding them. This procedure is planned to be completed by the middle of 2019.

In order to improve the standards of employees in the Ministry of Defense and the Army, the construction of apartments in the municipalities of Danilovgrad and Podgorica will continue, and the possibility of building apartments in the municipality of Bar will be considered.

6.2.4 STANDARDIZATION IN THE FIELD OF DEFENSE

Through the further process of ratification and implementation of the NATO Standardization Agreement (STANAG), and the application of the NATO codification system at the level of NATO countries, the necessary level of interoperability with NATO allies and partners will continue. In the coming period, the implementation of NATO standards, the adoption of national defense standards (crisis management process, uniforms), training in the field of standardization, as well as the involvement of representatives of the Ministry of Defense and the Army in the work of NATO bodies responsible for standardization (committees, boards, working groups) will be intensified. The codification of newly acquired and promising weapons and military equipment (NGO) will continue, the codification clause in procurement contracts will be applied, the area of quality assurance of NGOs will be regulated and full contribution will be made to the establishment of infrastructure to support business entities for participation in NATO tenders.

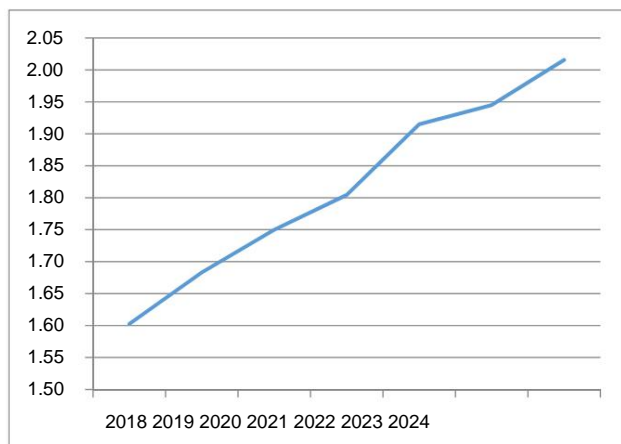
7 DEFENSE FINANCING

Funds for defense financing are provided from the state budget in the part related to the Ministry of Defense. Defense financing costs are based on projections of GDP movements, as well as on the basis of macroeconomic indicators given in the Guidelines of Macroeconomic and Fiscal Policy of Montenegro. Given that defense allocations will have a positive trend, all with the aim of reaching allocations up to 2% of GDP by 2024, it should be borne in mind that investment in the field of defense will depend on macroeconomic parameters and economic growth of the country.

Projections of macroeconomic aggregates for the period from 2018 to 2020 are based on strong investment activity in priority development sectors (tourism, energy, transport and agriculture) and the impact of fiscal consolidation measures that will be implemented in the coming period. The average growth rate of real GDP in this period will be 2.6%. This growth model will provide a slight growth of defense funds (including military pensions) from 1.60% in 2018 to 1.75% of GDP in 2020.

Macroeconomic projections for the period from 2021 to 2024 foresee an average GDP growth of 3%. This growth trend will create conditions for a significant increase in defense funds, whose participation will increase from 1.80% of GDP in 2021 to

1.92% of GDP for 2022; 1.94% for the year 2023 and to reach the planned allocation for defense up to 2% of the GDP for the year 2024.



Based on the aforementioned macroeconomic projections, it is concluded that the Ministry of Defense's budget funds will tend to grow in the coming period as well. Significant investments in defense infrastructure projects, which will be implemented through the capital budget of the state, will contribute to this. In this way, Montenegro will fully meet the set goals in terms of reaching the total allocation of up to 2% of GDP for defense costs, as well as 20% of defense costs for equipment and modernization.

Figure 2. Percentage of allocation in relation to GDP

Likewise, in addition to fulfilling the above-mentioned requirements, the Ministry of Defense devotes significant attention to achieving the optimal structure of the defense budget in the proportion of 50% for personnel costs, 30% for operational costs, and 20% for equipment and modernization.

Defense costs	in 2018	in 2019	in 2020	in 2021	in 2022	in 2023	in 2024
GDP	4,431	4,607	4,746	4,963	5,010	5,266	5,535.06
Defense budget percentage of GDP	1.60	1.68	1.75	1.80	1.92	1.94	2.02
Nominal budget amount (including military pensions)	71,003	77,540	83,040	89,550	95,960	102,430	111,570
Percentage allocation for personal expenses from the budget	71.92	68.84	68.65	65.00	61.27	60.71	55.74
Percentage allocation for operating costs from the budget	15.69	13.43	13.05	14.66	14.50	14.04	14.62
The percentage allocated for the main equipment from the budget	9.70	11.35	13.17	16.21	20.37	20.17	25.88
Percentage allocation for infrastructure	2.69	6.38	5.12	4.13	3.86	5.08	3.76

Table 1: Projection of defense expenditures from 2018 to 2024 in millions of €

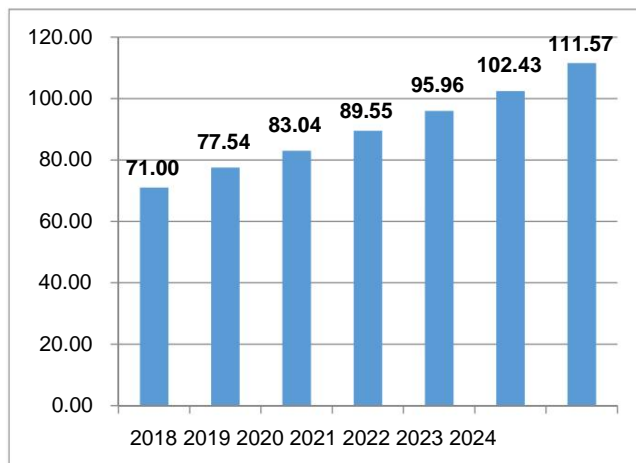


Figure 3. Defense budget in millions of €

This structure of defense costs supports the planned development of the Army's capabilities and ensures the Army's planned participation in peace support missions and operations, crisis response operations, and humanitarian and other international activities.

The projection of costs for missions and operations is presented according to the valid decisions of the Parliament of Montenegro, and for subsequent engagements, additional redistribution of funds from defense costs in the Budget of Montenegro would be carried out.

Mission/ operation	in 2018	in 2019	in 2020	in 2021	in 2022	in 2023	in 2024
The mission "Resolute Support"	923,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
EUTM mission Little	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Mission "MINURSO"	62,000	62,000	62,000	62,000	62,000	62,000	62,000
Operation EU NAVFOR "Atalanta"	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Kosovo FORCE 51,100		70,000	70,000	70,000	70,000	70,000	70,000
IN TOTAL	1,531,000	2,127,000	2,127,000	2,127,000	2,127,000	2,127,000	2,127,000

Table 2: Projection of costs for missions/operations from 2018 to 2024 in millions of €

8 STRATEGIC COMMUNICATION

The Ministry of Defense will continue to provide quality and timely information to the public about all the activities that the Ministry of Defense and the Army are implementing, primarily through the consistent implementation of the Government's **"Communication Strategy - Montenegro, a NATO member for the period until 2020"**. The importance of consistent implementation of the Communication Strategy is also reflected in the fact that Montenegro, as the youngest member of NATO, still needs to work on its profile within and outside the Alliance. At the same time, the need to constantly remind the domestic public of the values that Montenegro stands for traditionally, as well as as a NATO member, must not be ignored.

Crisis communication

Bearing in mind the importance of adequate communication management in the event of a crisis situation, the Ministry of Defense will continue to apply the **Crisis Communication Plan** which

defines procedures and procedures for coordinating communication within the Ministry of Defense and between the Ministry of Defense and the public in crisis situations.

Key messages:

- The army develops capabilities in order to be able to confront security challenges at the national level and fulfill obligations under NATO membership;
- We will work in the national interest to build a safer and more secure country for all citizens of Montenegro - the Army of Montenegro is the army of all citizens;
- Montenegro will continue to increase defense allocations to the planned 2% of GDP by 2024 in order to improve the capabilities and capacities of the Army, within the collective security system;
- By integrating the national defense system into the collective defense system, through active cooperation with allies and partners, we protect the sovereignty, territory and independence of Montenegro. **Together. For sure. For all times;**
- By participating in missions and operations under the auspices of NATO, the EU and the UN, we will continue to contribute to peace and

stability in the world; • As a member of NATO, Montenegro will promote the "open door" policy on the Western Balkans, because long-term stability in these areas can only be ensured by integrating the entire region into the collective security system;

- Realization of long-term goals will create prerequisites for more efficient execution of tasks of importance to the Montenegrin population, primarily through assistance to civil institutions in crisis and emergency situations (natural and other disasters, humanitarian operations, search and rescue, fight against terrorism, etc.).

9 INTERACTION OF THE ARMY AND CIVIL INSTITUTIONS

The army is one of the key elements of the identity of the state and society. Since gaining independence, the Army has continuously confirmed the importance of its role in society and its commitment to modern democratic values. By engaging in the missions of the International Security Assistance Force (ISAF) and "Resolute Support" ("Resolute Support") in Afghanistan, the Army made a great contribution to the achievement of a key foreign policy goal - membership in NATO. All authoritative surveys of the public indicate a constant growth in the reputation of the Army in society.

Changes in the security environment have led to the need to adjust the concepts of engagement of the Army and stronger interaction between the Army and civil institutions.

The basic premise for achieving the required level of civil-military cooperation is the existence of a common and consistent strategic vision, especially in conditions when the Army performs tasks that are not primarily of a military nature. To that end, in addition to the undeniable need for constant strengthening of democratic control mechanisms, it is also necessary to develop civil-military expertise at all levels of management, as well as in society.

The Ministry of Defense and the Army will continue to implement measures to promote the joint role of military and social potential in the field of defense. Through open communication with the public, assistance and support to civil institutions, education and training programs and other forms of cooperation with civil institutions, a security culture will be developed, primarily among young people, as well as further raising the reputation of the Army in society.

10 DEFENSE AND CRISIS MANAGEMENT

Crisis management is one of NATO's key tasks. It represents the coordinated use of elements of diplomatic, informational, military and economic power in a complex security environment, in order to prevent a crisis, prevent the escalation of the conflict into an armed conflict and overcome hostilities, in case of their appearance.

As a full member of NATO, Montenegro will recognize the state of crisis as one of the states of national security and develop a crisis management system compatible with the NATO system. In order to establish a unique crisis management system in Montenegro, the following activities will be implemented:

- A legal framework will be adopted that will clearly and precisely define the competencies and responsibilities of all elements of the system and their interaction with local self-governments and civil institutions;
- Analysis and eventual redistribution of institutional competences and regrouping of key material and technical capacities of importance for defense and security will be carried out, in order to create preconditions for efficient and coordinated engagement of all civilian and military capabilities in crisis situations;
- An integrated national system for early warning and alerting will be established, clear criteria will be defined for the assessment of sources and potential security challenges, risks and threats and measures to respond to them;
- Training and equipment in the crisis management system will be standardized.

Establishing a legislative framework, which will clearly define the places and roles of the elements of the national crisis management system, and prescribe the decision-making process in response to a wide range of crises is a high priority activity. This framework will define the place, role and responsibilities of all elements in the national crisis management system, including the Ministry of Defense and the Army, will establish a unique leadership and command system, will synchronize the processes of planning measures and crisis response activities, and will provide the conditions for their full implementation. . One of the priority tasks is defining the position and structure of the National Center for Crisis Management and its accelerated formation.

After the establishment of the system, through crisis management exercises, at the national level and within the NATO crisis response system, the crisis management system, capacities and abilities of Montenegro to respond to various security challenges, risks and threats will be periodically checked.

11 RESISTANCE

The resilience of the state and society implies the maintenance and protection of key civilian capabilities and capacities and their support for military activities.

In the conditions of the modern security environment, strengthening the resilience of the state and society and developing individual and collective ability to oppose any form of security threats is of vital importance and is a constant task of all elements of the system.

In order to counter potential threats, it is necessary to develop clear plans and crisis response measures. The defense plan of Montenegro will include measures, carriers and deadlines for the development of civilian readiness, in accordance with NATO criteria.

In this way, the Army will be able to be engaged in a timely and appropriate manner in supporting civilian institutions, but also vice versa - civilian institutions will provide the necessary support to the Army in the implementation of dedicated missions and tasks.

From the aspect of resilience, the implementation of national measures to strengthen the resilience of the state and society to modern challenges, risks and threats, the establishment of a national system for crisis management and a system for the protection of critical infrastructure is essential. It is also important to improve mechanisms for increasing cyber security and increase resistance to hybrid threats.

12 IMPLEMENTATION OF THE STRATEGIC REVIEW DEFENSE

12.1 COMPETENCES IN IMPLEMENTATION

Achieving the goals and level of ambitions set in the Strategic Review of Defense requires continuous management of its implementation by competent state authorities, with clear competencies and responsibilities.

The Parliament of Montenegro will monitor the implementation of the Strategic Review of Defense through the review of the annual Report on the Ministry of Defense, the Report on the State of the Army of Montenegro and the Proposal for Defense Funds in the Budget of Montenegro.

The Government of Montenegro will support the implementation of the Strategic Review of Defense through the determination of the numerous size and organization of the Army, the allocation of the necessary financial resources for the implementation of development projects, as well as the adoption of long-term and medium-term defense development plans.

In accordance with the guidelines from the Strategic Review of Defense, **the Ministry of Defense** will prepare a Proposal for a long-term defense development plan, adopt a new Army Formation and continue the implementation of the started and planned equipping and modernization projects.

The army will contribute to the implementation of the Strategic Defense Review by implementing key activities:

- Implementation of organizational and formational changes of the Army;
- Equipping and modernizing the Army;
- Implementation of NATO capability goals;
- By reaching the readiness of the declared forces;
- Preparation and participation of the Army in international missions and operations.

12.2 POSSIBLE RISKS

Inefficiency in the implementation of the Strategic Review of Defense could threaten the development goals and priorities of the Army, thereby reducing its ability to carry out assigned missions and tasks in the short-term as well as in the long-term. The most significant risks are:

- Projecting defense costs below the level needed to achieve defined capabilities of the Army;

- Reduction of funds or abandonment of projects defined in defense part of the budget for modernization and infrastructure; • Wrong determination of priorities and/or neglect of certain priorities; • Redefining goals and priorities; • Delay in the realization of key procurements; • Realization of unplanned projects or tasks (indirect reduction of available resources).

In the event that the funds for defense in the Budget of Montenegro cannot ensure the full development of the planned capabilities of the Army, the following guidelines are defined:

- To implement started projects, the abandonment of which would have harmful consequences for functioning of the defense system;
- Redefine the deadlines or give up part of the lower priority projects for the functioning of the defense system; • Implement part of the projects through international defense cooperation with allies and partners.

13 CONCLUSION

The challenges, risks and threats faced by Montenegro in the modern security environment, both at the national level and as a member of the NATO alliance, are transnational, complex and unpredictable. The answer to them requires the strengthening of a wide range of capabilities necessary for the successful implementation of the Army's missions and tasks in the country, but also for an active contribution to the collective security system, primarily through participation in peace support missions and operations, crisis response operations and humanitarian and other international activities under the leadership NATO, EU and UN.

National defense needs and NATO requirements for military capabilities are key elements in the further development of the defense system and the Army. Montenegro will strive for a balanced development of its defense capabilities, with clearly defined priorities in equipping and modernizing Army units.

The long-term goal is to develop Army units that will be deployable, sustainable, interoperable, efficient, equipped and staffed with trained and motivated personnel.

Increasing the large size of the Army to 2,368 members, along with adjusting the organizational and formation structure of the Army, will enable the achievement of defined levels of ambition.

The center of gravity and priority of the development of the ground forces will be declared companies from the composition of the Infantry Battalion, with support elements. The acquisition of light armored infantry vehicles with accompanying assets and weapons systems will improve the mobility, protection, firepower and interoperability of declared companies for participation in the full spectrum of NATO-led operations.

The modernization of promising ships of the Navy and the improvement of the capacities of the Naval Operations Center will continue, and the procurement of new patrol ships, weapon systems and surveillance sensors will be carried out in order to improve the ability to be present at sea, control and monitor the sea, exchange data on the situation at sea and underwater operations. .

With the introduction of new Bell-412 helicopters, the Air Force will significantly improve its capabilities for combat support to infantry units, aerial reconnaissance,

search and rescue, tactical and medical and transport and civil institution support capabilities. The protection of the airspace will be based on allied capacities, within the framework of the NATO "Air policing" mission. Due to the lack of ability to generate a recognized picture of the airspace situation (RAP) in the medium term, a 3D airspace observation radar, medium or long range, will be acquired.

Obsolete and unpromising combat assets and systems will be withdrawn from operational use.

Members of the Army and civil servants and employees of the Ministry of Defense guarantee the successful implementation of all assigned missions and tasks with their expertise, personal integrity and patriotism. Therefore, special attention and efforts will be focused on further professional development of personnel, improvement of living and working conditions and raising the reputation of members of the Army and the Ministry of Defense.

In the coming period, one of the priority tasks will be the infrastructural arrangement of the former "Maslina" Barracks in Podgorica for the relocation of the Ministry of Defense and the General Staff of the Army and the accommodation of a part of the Army unit. Also, for the needs of deploying units in accordance with the future organizational and formation structure of the Army, a new barracks will be built in Andrijevica.

Montenegro will consistently implement the obligations from the NATO document "Defense Investment Pledge", adopted at the NATO summit in Wales in 2014. Budgetary allocations for defense will gradually increase and will reach 2% of GDP by 2024, with 20% of the defense budget allocated to equipping and modernizing the Army. In this way, it will be possible to maintain existing and develop new capabilities, as well as all other segments of the Ministry of Defense and the Army.

By analyzing and possibly redistributing institutional competences and regrouping key material and technical capacities of importance for defense and security, the multiplication of civil and military capabilities and capacities at the national level will be avoided.

The strategic review of defense is the basis for the future development of the defense system and is a source of guidelines for the preparation of the Long-Term Defense Development Plan. Also, the document provides recommendations for taking measures that need to be further operationalized in strategic and development documents of defense planning.

The functioning of the defense system depends on the coordinated action of all participants of the national security system, which is why the implementation of the measures resulting from the Strategic Defense Review of Montenegro will represent the highest priority of the Ministry of Defense and will require a comprehensive interagency approach.

Through the implementation of the Strategic Defense Review of Montenegro, mobile, sustainable and adequately equipped units will be provided, capable of defending the independence, sovereignty and state territory of Montenegro independently and in cooperation with allies; contribute to the defense of allies; participate in international missions and peace support operations and provide support to civilian institutions when confronting different types of challenges, risks and threats of a non-military nature.

List of abbreviations

GDP	Gross domestic product
BMTF	Balkan Medical Task Force - Balkan medical forces
CIRT	Computer Incident Response Team - Team for response to computer incidents
C3I	Command, Control, Communications and Intelligence - Command, control, communication and intelligence work
E U	European Union - European Union
EU BG	European Union Battle Groups - EU Battle Groups
HNS	Host Nation Support – Host nation support to allied forces
ICT	Information and communication technology
ISAF	International Security Assistance Force - International forces for security assistance
IT	Information technology - Information technologies
JCOP	Joint Common Operating Picture - A unique operating picture
JFAC	Joint Forward Air Controller - Forward controllers for guidance of aviation in joint operations
MAA	Military Aviation Authority - Military aviation authority
MIO	Maritime Interdiction Operations - Interdiction/interception operations On the sea
NATO	North-Atlantic Treaty Organization
NATINAMDS	NATO Integrated Air and Missile Defense System - Allied integrated system of anti-aircraft and anti-missile defense
NRF	NATO Response Force - NATO forces for response
NGO	Armament and military equipment
OSCE	Organization for security and cooperation in Europe - Organization for European security and cooperation
<small>air defense</small>	Anti-aircraft defense
RAP	Recognized Air Picture - Recognized airspace radar image
RMP	Recognized Maritime Picture - Recognized maritime radar picture
ROLE-1	First aid medical unit
STANAG	Standardization agreement - NATO agreement for standardization
UN	United Nations - United Nations
VIP	Very important person - Very important person

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